



State of New Jersey
Board of Public Utilities
Two Gateway Center
Newark, New Jersey 07102

John O. Bennett
Acting Governor

Connie O. Hughes
President
Tel: (973) 648-2503
Fax: (973) 648-4195

January 9, 2002

Via Facsimile and Regular Mail

Bruce D. Cohen, Esq.
Verizon New Jersey, Inc.
540 Broad Street
Newark, NJ 07102

Dear Mr. Cohen:

By this letter, I wish to formally advise you of certain actions taken by the Board at its January 9, 2002 Agenda Meeting. As part of its review of Verizon New Jersey's compliance with Section 271 of the Telecommunications Act of 1996, the Board determined that a finding of compliance with Checklist Item 2, is conditioned on Verizon charging no more than the new UNE rates to all CLECs in New Jersey effective December 17, 2001. The Board noted that a Verizon challenge of the validity or effective date of the rates or any attempt to increase or otherwise change these rates, will call into question whether modified rates would be TELRIC compliant, and, therefore, also call into question the Board's finding of compliance with Checklist Item 2. Verizon was further required to provide the Board by the end of business on January 10, 2002, an officer's certification that these rates are being charged effective December 17, 2001.

Please accept their letter as your notification of this Board action, and the requirements that it has imposed on Verizon New Jersey.

Respectfully submitted,

Henry M. Ogden

Henry M. Ogden
Acting Secretary